

Today, Rep. Pete Stark filed an amicus brief in the case National Association of Chain Drug Stores and National Community Pharmacists Association v. Tommy G. Thompson. Rep. Stark supports the plaintiffs' efforts to enjoin President Bush from implementing the Medicare-Endorsed Rx Discount Card Initiative, a program that the President devised in conjunction with the pharmaceutical industry and in violation of federal law.

Rep. Stark said: "As a Medicare beneficiary, I believe that my interests and the interests of all Medicare beneficiaries are being trampled by the Bush Administration. In their attempt to woo the five major pharmaceutical benefit managers, the Bush Administration conducted secretive, clandestine and illegal meetings. The product of these meetings, what they call a drug discount card program, is nothing but a gift-wrapped present for their fat-cat friends. Medicare beneficiaries, not surprisingly, are left out in the cold."

Rep. Stark continued: "Drug discount cards are as readily available today as free detergent samples at the supermarket. The Bush proposal gives pharmaceutical companies the prestigious symbol of Medicare's seal of approval, which they can use to market their products to Medicare beneficiaries. The proposal does nothing, however, to guarantee that seniors will actually receive any discounts. In fact, just the opposite may occur."

The numerous drug discount cards available today promote various products of drug manufacturers. Pharmacies and stores who offer these discount cards have a commercial interest in promoting their sponsor's products. Because each card offers different discounts on different drugs, seniors often possess multiple cards and use a combination of them to obtain the best discounts on the particular drugs they need. President Bush's program, however, would prohibit seniors from owning more than one card. It is extremely unlikely that one card will offer significant discounts on all the prescriptions that many seniors are required to take. Thus, Rep. Stark said, "Seniors' access to discounts will actually decrease under this proposal."

Meanwhile, participating companies will be able to use Medicare's good name to market their products to Medicare beneficiaries. The Bush Administration claims that these discount cards will enable seniors to get discounts of 10% to 25%, but the program does not actually require participating companies to meet their advertised claims of savings. The program does not even require Medicare approval of the companies' marketing materials – the materials would be approved by a private consortium of the companies themselves.

Rep. Stark concluded, "President Bush's program is designed to benefit private industry, not those people entitled to benefits under Medicare and for whom Medicare was created. The

program has been thrust on an unsuspecting public without Congressional action and merely serves to delay a meaningful and substantial prescription drug program for our senior citizens. That is why I so vehemently oppose the way this program was developed and why I am joining in this legal effort to block its implementation."